

## Appendix A

### 2006 Parks and Recreation Division Financial Plan (Parks 2004 Levy Subfund 1451)

| Category   | 2005 Actual <sup>2</sup> | 2006 Adopted        | 2006 Revised        | 2006 Estimated      |
|--|--------------------------|---------------------|---------------------|---------------------|
| <b>Beginning Fund Balance</b>  | <b>1,726,378</b>         | <b>1,757,361</b>    | <b>2,730,742</b>    | <b>2,730,742</b>    |
| <b>Revenues</b>  |                          |                     |                     |                     |
| * Levy Proceeds <sup>1,3</sup>   | 11,579,186               | 12,029,005          | 12,003,076          | 12,003,076          |
| * Delinquent Levy Collections <sup>3</sup>                                 | 151,794                  | 164,772             | 164,772             | 164,772             |
| * Interest <sup>4</sup>  | 56,780                   | 34,646              | 61,442              | 61,442              |
| * Regional/Rural Business Revenues <sup>5,6</sup>                          | 4,003,772                | 4,386,839           | 4,386,839           | 4,319,034           |
| * UGA Business Revenues <sup>6,7,8</sup>                                   | 695,574                  | 244,516             | 244,516             | 237,303             |
| * CX Transfer <sup>7,8</sup>   | 2,696,803                | 2,452,237           | 2,452,237           | 2,452,237           |
| * CIP <sup>9</sup>   | 1,128,256                | 1,322,354           | 1,322,354           | 1,322,354           |
| * Homeland Security Grant <sup>10</sup>                                    | 64,902                   |                     |                     |                     |
| * Quarterly Omnibus Ordinance <sup>13</sup>                                |                          |                     | 1,013,842           | 1,013,842           |
| <b>Total Revenues</b>  | <b>20,377,067</b>        | <b>20,634,369</b>   | <b>21,649,077</b>   | <b>21,574,059</b>   |
| <b>Expenditures</b>  |                          |                     |                     |                     |
| * Regional/Rural Levy-derived Expenditures <sup>6,11</sup>                 | (10,493,797)             | (11,832,773)        | (11,832,773)        | (11,907,791)        |
| * Regional/Rural Expenditures (Business Revenue-derived) <sup>6</sup>      | (4,003,772)              | (4,386,839)         | (4,386,839)         | (4,319,034)         |
| * Urban Growth Area Expenditures (Business Revenue-derived) <sup>6,8</sup> | (695,574)                | (244,516)           | (244,516)           | (237,303)           |
| * Urban Growth Area Expenditures (CX-derived) <sup>6,8</sup>               | (2,696,803)              | (2,501,944)         | (2,501,944)         | (2,501,944)         |
| * CIP/Land Management Expenditures <sup>9</sup>                            | (1,128,256)              | (1,322,354)         | (1,322,354)         | (1,322,354)         |
| * CPG (formerly ADOPS) Expenditures <sup>12</sup>                          | (200,508)                | (600,000)           | (600,000)           | (600,000)           |
| * Homeland Security Grant Expenditures <sup>10</sup>                       | (153,992)                |                     |                     |                     |
| * Quarterly Omnibus Ordinance <sup>13</sup>                                |                          |                     | (1,323,745)         | (1,323,745)         |
| <b>Total Expenditures</b>  | <b>(19,372,702)</b>      | <b>(20,888,426)</b> | <b>(22,212,171)</b> | <b>(22,212,171)</b> |
| <b>Estimated Underexpenditures <sup>14</sup></b>                           |                          | <b>417,769</b>      | <b>444,243</b>      | <b>444,243</b>      |
| <b>Other Fund Transactions</b>   |                          |                     |                     |                     |
| *  |                          |                     |                     |                     |
| <b>Total Other Fund Transactions</b>                                       | <b>0</b>                 | <b>0</b>            | <b>0</b>            | <b>0</b>            |
| <b>Ending Fund Balance</b>   | <b>2,730,742</b>         | <b>1,921,073</b>    | <b>2,611,892</b>    | <b>2,536,875</b>    |
| <b>Designations and Reserves</b>   |                          |                     |                     |                     |
| * Unexpended CPG (formerly ADOPS) <sup>12</sup>                            | (300,000)                |                     |                     | (99,492)            |
| <b>Total Designations and Reserves</b>                                     | <b>(300,000)</b>         | <b>0</b>            | <b>0</b>            | <b>(99,492)</b>     |
| <b>Ending Undesignated Fund Balance</b>                                    | <b>2,430,742</b>         | <b>1,921,073</b>    | <b>2,611,892</b>    | <b>2,437,383</b>    |
| <b>Target Fund Balance <sup>15</sup></b>                                   | <b>1,601,559</b>         | <b>1,740,702</b>    | <b>1,832,107</b>    | <b>1,832,107</b>    |

**Financial Plan Notes:**

<sup>1</sup> Parks 2004 Levy Subfund was a new fund in 2004. The voter-approved levy is for four years, ending in 2007.

<sup>2</sup> 2005 Actuals based on 2005 CAFR.

<sup>3</sup> 2006 Levy Proceeds and Delinquent Levy Collections revised by OMB September 2006.

<sup>4</sup> Interest Earnings based on an interest rate of 3.154% in 2005 Actuals, 4.75% in 2006 Adopted, 4.7% in 2006 Revised and Estimated, with a 20 basis point investment service fee deducted.

<sup>5</sup> Regional/Rural Business Revenues in 2005 include reimbursements for capital-backed expenditures.

<sup>6</sup> Regional/Rural and UGA categories are tracked by the Parks Division.

<sup>7</sup> 2006 Adopted UGA Business Revenues reductions due to anticipated Klahanie Annexation and assumed transfers of UGA pools to Northwest Center in 2006.

<sup>8</sup> The CX Transfer is used to cover costs in the Urban Growth Area (UGA) per financial plan approved by King Council in adopting levy ordinance 14586. 2006 UGA CX-derived Expenditures and CX Transfer Revenues, as well as UGA Business Revenues and UGA Business-derived Expenditures include reductions due to anticipated Klahanie Annexation and transfers of the Renton and Evergreen Pools to Northwest Center in the 2006 Adopted budget.

<sup>9</sup> Transfers from Fund 3160 and 3490 (backed by REET 1 & 2) to support Capital & Land Management. Note that some portion of CIP/Land Management Expenditures is associated with UGA facilities. This is not backed by CX funds or business revenues and is not included in the UGA Business Revenue-derived or UGA CX-derived Expenditures.

<sup>10</sup> HLS expenditures backed by HLS grant revenues. Revenues not received in 2005 anticipated to be received in 2006. Due to some HLS expenditures being offset with negative expenditures rather than revenues, ARMS reflects lower estimated revenues and expenditures than anticipated and budgeted. However, 2005 HLS funds have been fully expended.

<sup>11</sup> Regional/Rural Expenditures include an additional \$116,500 in 2006 per financial plan approved by King County Council in adopting levy ordinance 14586 (assumes 5 additional trail miles at management cost of \$6,300/mile and 1,000 additional natural land acres at \$85/acre).

<sup>12</sup> Partially funds Community Partnership Grants (CPG) program, (formerly Association Development Operations Partnerships, or Adopts, program). Additional funds are in Parks CIP. \$300K designated for CPG that was not spent in 2004 is identified for reprogramming in 2006. \$99,492 designated for CPG that was not spent in 2005 is identified for reprogramming in 2007. Reserve for unexpended CPG funds ensures that Parks sets aside full \$1.2M over course of 4-year levy period as specified by levy ordinance.

<sup>13</sup> 1st Quarter Omnibus includes appropriations of \$47,686 for Klahanie Annexation, \$281,479 for Parks System Enhancement, \$28,424 for Marymoor Parking Enforcement FTEs, \$226,882 for revenue-backed Homeland Security Grants, and \$739,274 for Renton and Evergreen pool operations. Includes revenues of \$47,686 for Klahanie, \$226,882 for Homeland Security Grant, and \$739,274 for the Evergreen and Renton pools.

<sup>14</sup> Estimated Underexpenditures 2% of Total Expenditures. Estimated Underexpenditures include 2% Underexpenditure required for UGA Expenditures funded by CX Transfer.

<sup>15</sup> Target Fund Balance is 1/12th of Total Expenditures, excluding Homeland Security Grant expenditures.